

*Mill Ridge Condominium Owners Association, Inc.*

**2013 ANNUAL HOMEOWNER'S MEETING**

**January 30, 2014**

**Call to Order**

The President, Beverly Cappadonia, called the meeting to order at approximately 7:10PM. The meeting was held at St. Paul's Christian Church Fellowship Hall, 3331 Blue Ridge Road, Raleigh, NC 27612. Management reported that 96 members must be represented by their presence or proxy in order to conduct the annual meeting; only 52 members were represented with 10 members in person and 42 by their proxy. Management then reported that the Covenants allow for adjournment of the meeting and then reconvening the meeting within 30 days with notice only being provided to those members present at the aforementioned adjourned meeting. A motion was made and seconded to adjourn the meeting and to reconvene the meeting at 7:15PM at St. Paul's Christian Church Fellowship Hall. The motion was unanimously approved by all members present. Prior to the meeting being called to order, those present enjoyed pizza and beverage provided by the Association.

**Quorum Established**

Beverly Cappadonia called the meeting back to order at approximately 7:17PM. Management reported that 48 votes are required to reconvene the annual meeting per the Covenants and that there are a total of 52 members represented of which 10 members are in person and 42 by their proxy thus establishing a quorum.

**Approval of Minutes**

The 2013 annual meeting minutes held on January 31, 2013 were presented to those present for their review and approval. Paul Slovensky made a motion to accept the minutes as written. Doug Parker seconded the motion. The minutes were unanimously approved.

**President's Report**

Beverly reported the accomplishments in 2013 as follows:

1. Annual termite inspection was performed in late August 2013 at a total cost of \$3,760.00.
2. Continued with the 8-Plex Improvement Project in 2013. Completed the improvements for buildings #1, #2, #3, #5, #6 and #7. Building #4 will be scheduled next which will complete the improvements for Buildings #1 thru #7 which are of the same design. The plan is to continue with the last four buildings which are buildings #8, #9, #10 and #11; these buildings are of the same design as each other but are not the same design as buildings #1 thru #7. The current cost to date is \$253,528.30 for an average of \$42,254.72. The original estimate was \$45K per building so we are under that estimate so far.
3. Tree pruning and removal throughout the community cost \$10,580.00 in 2013.
4. The loan was refinanced in May 2011 for five years at a fixed rate of 5.95%. The loan amount was \$415,421.87 and the payments are \$8,025.34 per month. The loan balance was \$283,723.13 at the last annual meeting, the loan balance at this time is \$203,688.51 which is scheduled to be paid off in 2016.
5. The tax return for the fiscal year that ended 9/30/12 has been filed; the audit for the fiscal year has not been completed.
6. The master insurance policy cost \$36,145K for the period 5/1/13 through 5/1/14. The deductible is \$10K and Homeowners have been advised of this and to purchase an HO6 or Dwelling Fire Policy to cover the first \$10K of an insured loss. NOTE: THE 1<sup>ST</sup> \$10K OF AN INSURED LOSS IS THE RESPONSIBILITY OF THE HOMEOWNER; THE HOMEOWNER SHOULD PURCHASE AN HO6 OR DWELLING FIRE POLICY TO COVER THE 1<sup>ST</sup> \$10K OF A LOSS OR BE PREPARED TO PAY THAT AMOUNT OUT OF POCKET.
7. Coordinated inspection of fireplaces for all 8-Plex owners who wanted to take advantage of the special inspection rate of \$35 per unit.
8. Still working on obtaining FHA approval from HUD; have obtained VA approval

The projects planned for 2014 include the following:

1. Continue with the 8-Plex Improvement Project and implement the project as funds are available. We should be able to complete 2 buildings this year based on funds availability AND if we are successful in getting a loan we should be able to complete 3 buildings this year.
2. Will make only those asphalt repairs that are absolutely necessary as funds are not available to do all the work that needs to be done.
3. Will power wash and seal studio decks based on funds availability.

4. Will also survey all sidewalks in the community to determine repair priority, and proceed with those that need to be repaired to make them safe.

Beverly also thanked Sharon Williams for organizing the yard sale and stated that it was a huge success. Those present were in agreement. Beverly encouraged Sharon to consider organizing another yard sale in 2014.

#### **Financial Report**

Vic Jones, Property Manager, provided as part of the annual meeting hand out the financial statements as of the end of the fiscal year September 30, 2013 and the current financial statements as of January 30, 2014. Vic reported that the reserves were increased from \$162K at the fiscal year that ended 9/30/12 to \$185K at the end of the last fiscal year which ended 9/30/13. The 2014 end of year reserves as shown in the long range plan are expected to decrease by \$35 to \$150K by the end of the current fiscal year that ends 9/30/14. This reduction is a result of the plan to resume the 8-Plex Improvement project and to power wash and stain half of the studio decks this year. The Board has approved the repair of sidewalks in the community that have settlement or upheaval issue which has been caused by the growth of tree roots. Projects that are still unfunded include not only the asphalt sidewalks but asphalt drive and parking lot repair, mail box repair and/or replacement and the proposed drainage project to resolve storm water runoff issues in the northwest corner of the property. The outstanding loan balance as of 1/30/14 is \$204K and is currently scheduled to be paid off in 2016; the loan was refinanced in July 2011 at 5.95 percent.

#### **Management Report**

Management reported that the 8-Plex Improvement Project is scheduled to restart in early March as the operating cash and cash reserves have recovered to the levels set by the Board i.e. both cash and reserves are to be maintained at a level equal to three to four times the monthly income. The improvements to Building #4 will complete the repairs to the first seven 8-Plex buildings in the community which are of the same style. Once Building #4 repairs are completed, the plan is to start work on Building #8, #9, #10 or 11 dependent upon which of the four buildings needs to be addressed first. The budget will support the completion of at least two buildings this year and dependent upon fund availability it may be possible to complete a third building. The Board has looked into obtaining a loan in order to speed up the 8-Plex Improvement Project but the loan has not been secured at this time. Management reminded Homeowners that they can have their dues drafted monthly; the draft process is performed between the 15<sup>th</sup> and the 20<sup>th</sup> of each month for that month. Forms were available for anyone who wanted to take advantage of this payment option. Management also reminded those present that they can download copies of the legal documents, Rules & Regulations, architectural request forms, etc. from the web site [www.millridgenc.org](http://www.millridgenc.org). The Association has a master hazard insurance policy that covers the building structures in the community; however, each Homeowner is responsible for the first \$10K of an insured loss as well as each Homeowner's personal property and personal liability. All Homeowners are advised to purchase an HO6 to cover their personal property, personal liability and \$10K coverage for the structure. The \$10K coverage is typically covered under Schedule A-Building Additions and Alterations. Owner investors should purchase a policy typically referred to as a Dwelling Fire policy. **All Homeowners are advised to check their insurance coverage and to verify that they have the proper and adequate coverage with their insurance carrier. Questions may also be directed to the Property Manager.**

#### **Board Elections**

The primary purpose of the annual meeting as stated in the annual meeting notice was as follows: 1) the election of two Board members to serve for one year and 2) the election of three Board members to serve for 2 years. The election was conducted as documented below.

#### **Two Directors for One Year Term**

The nominations for the one year term as provided in the proxy statement were as follows: 1) Roxie Pitt and 2) David Rancer. Beverly Cappadonia asked if there were any nominations from the floor. Beverly nominated Paul Slovensky. Sharon Williams seconded the motion. The motion was approved by those present. There were no other nominations and the nominations were closed.

#### **Three Directors for Two Year Terms**

The nominations for the two year terms as provided in the proxy statement were as follows: 1) Beverly Cappadonia 2) Mark Evans and 3) Doug Parker. Beverly Cappadonia asked if there were nominations from the floor. There were no other nominations and the nominations were closed.

Beverly asked those present to mark their ballots and the ballots were collected. The ballots were counted and the Board members elected were as follows: 1) Roxie Pitt and David Rancer were elected to the one year term and 2) Beverly Cappadonia, Mark Evans and Doug Parker were elected to the two year term. Officers for 2014 will be elected at the next Board meeting.

#### **New Business/Homeowner Forum**

Those present expressed an interest in improving the web site.

#### **Adjournment**

There being no further business, the meeting was adjourned.

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

### March 6, 2014

#### **Homeowners Forum**

Four Homeowners were present at the meeting as follows: 1) Paul Slovensky of 3326 Mill Run 2) Alma Berg of 3502 Mill Run 3) Bob Conte of 3513 Mill Run and 4) Brenda Caref of 3545 Mill Run. The topics discussed during the open forum were as follows: 1) use the web site to better communicate with owners and in particular publish the Board meeting dates on the web site 2) resident help with servicing the pet waste stations or possibly hire someone to help with this 3) current status of the 8-Plex Improvement project; status report is given below under the Management report. It was agreed that the Board meeting schedule and meeting minutes will be uploaded to the web site. See discussion below under new business.

#### **Call to Order**

The President, Beverly Cappadonia, called the meeting to order at approximately 6:45pm following the open forum discussion. The meeting was held in the brown classroom building at St. Paul's Christian Church on Blue Ridge Road.

#### **Quorum Established**

The following Board members were present: 1) Beverly Cappadonia 2) Mark Evans 3) Roxie Pitt 4) Doug Parker and 5) David Rancer. Vic Jones, Property Manager, was also present.

#### **Election of Officers**

The Board elected officers for 2014 as follows: 1) Beverly Cappadonia-President 2) Mark Evans-Vice President 3) David Rancer-Secretary 4) Roxie Pitt-Treasurer and 5) Doug Parker-Member at Large.

#### **Approval of Minutes**

Minutes of the 12/5/13 Board meeting were reviewed. Doug Parker made a motion to accept the minutes as written. David Rancer seconded the motion. The minutes were approved by all the Board members.

#### **Architecture Committee Report**

Management was reminded to send a violation letter to the owner of 3331 Mill Run regarding the damage done by nailing Christmas decorations to the new siding; the damage must be repaired at the owner's expense.

#### **Treasurer's Report**

Vic Jones provided the financial reports as follows: 1) the Balance Sheet as of 2/28/14 showing \$121K in the money market account, \$136K in the operating account and a credit balance of \$14K in the accounts receivable account 2) the Profit & Loss Statement as of 2/28/14 showing the fiscal year to date income and expenses and a net income of \$87K which does not reflect the cash flow required to retire the debt principal; the net income is approximately \$49K after adjusting for the cash required to pay down the principal on the construction loan; \$25K has been collected on the special assessment 3) the Accounts Receivable report showing the dues status of all Homeowners as of 2/28/14 who either have an outstanding balance or a prepaid balance 4) a summary Accounts Receivable Report showing only those Homeowners with an overdue amount and the action being taken to collect those amounts; the appropriate collection letter per the summary report will be mailed to each Homeowner; the report also shows those accounts that have already been turned over to our attorney for collection and 5) the Vendor Transaction report showing all bills and checks issued to vendors since 12/1/13. Management reported that all five Board members had voted affirmatively via e-mail to continue with the foreclosure process on 3419 Mill Run and 3433 Mill Run i.e. the next step will be the scheduling of a foreclosure hearing. Management requested that the Board affirm that vote at this meeting. Mark Evans made a motion to affirm the votes submitted via e-mail to continue with the foreclosure process on 3419 and 3433 Mill Run. Beverly Cappadonia seconded the motion. The motion was passed unanimously by all Board members present.

#### **Landscape Committee Report**

Doug Parker, Landscape Chairperson, reported that Hunt's will be refurbishing the front entrance flower beds in early Spring.

#### **Management Report**

- The Board received the outstanding work orders report and the completed work orders report showing those work orders that were completed since 12/1/13. There are currently thirteen outstanding work orders. Twenty six work orders have been completed since 12/1/13 at a total cost of \$4,934.05.
- The 8-Plex Improvement Project will resume within the next two weeks weather permitting. The next building scheduled is Building #4 which will complete the work on the seven buildings in the community that have the same architecture as building #4. Management presented a draft timeline for completing the 8-Plex Improvement Project with several different scenarios that included infusions of cash from the operating income, infusions of cash from loans and a combination of infusions of cash from both operating cash and loans. The projected completion date for the 8-Plex Improvement Project is June of 2015 per the scenarios that were presented. Management will follow up with our primary loan source to make the loan option is still available. Management will also revise the plan to reflect a smaller cash infusion from the operating budget so that more funds will be available for projects such as sidewalk repairs, pavement repairs, mail box stand repairs, etc. This plan will allow the Association to maintain both the operating account and the reserve account balances at the levels that the Board has established as policy i.e. each account will be maintained at a level 3-4 times the average monthly income. Management will provide an updated timeline to the Board at the next monthly meeting.
- Management reported that he had met with Chris Hunt of Hunt's Landscaping regarding the sidewalk repairs that are needed throughout the community. Chris agreed to provide some options for repairing and/or replacing sidewalks for the Board's consideration. Management has also scheduled a meeting with Blalock's Paving at 10am next Monday to solicit their input for the necessary repairs. Management indicated that cost wise it will probably be best to repair/replace the current asphalt sidewalks with asphalt. It was noted that some trees will also need to be taken down as the roots are the major reason for the sidewalk problems that we are dealing with. Screenings and/or crush and run are options that have already been discussed and they are still being considered as the baseline materials for the sidewalks.
- Management reported that the fireplace inspection project was completed on 11/8/13. The final statistics are as follows: 1) 24 units were inspected 2) 5 units had their chimneys cleaned 3) 7 chimneys need to be cleaned but owners have not scheduled the cleaning and 4) 7 units need follow up repairs. Management will follow up with those owners that have an issue that needs to be addressed.
- Management reported that Condo Approvals LLC South had checked the status of the application to obtain FHA Certification and that as of today it has not been approved. Condo Approvals LLC South has determined that there has been some reorganization of the government entity that reviews and approves applications and therefore they are going to resubmit the application to the office in Atlanta that is now handling NC applications. Condo Approvals LLC South indicated that the reasons to date for turning down the application have never been the reasons in the past; therefore, they plan to communicate with Atlanta to determine exactly what the problem(s) is with turning down the Mill Ridge application.

### **Old/New Business**

- Roxie Pitt expressed her concerns about access to the fire hydrant in front of building #3 next to the last parking space. In particular, Roxie noted that the fire hydrant is bordered by two parking spaces which make it hard to see and the vehicles parked there will limit access by the fire department to that hydrant. Roxie said that she feels this is a safety concern and needs to be addressed. Beverly Cappadonia agreed to contact the fire house on Lake Boone Trail to determine the rules and guidelines pertaining to fire hydrant clearance and how to best flag it so that the firefighters can easily locate it in an emergency.
- Roxie Pitt expressed her opinion that the web site needed to be improved. It was noted that the web site contains all the legal documents, rules and regulations and other material that owners need access to but that it needs to include more information about what is currently going on in the community. It was agreed that the following information will be added to the web site: 1) notice of meetings 2) minutes and 3) periodically information on the status of major projects.
- Roxie Pitt reported that she has reviewed the current landscape contract and had the following questions and concerns: 1) the contract has an automatic renewal clause which if automatically renews includes a 3% increase in the annual contract amount 2) there is a section that indicates that there will be a fuel surcharge if the price of gas exceeds \$4 per gallon but it does not say how that surcharge would be calculated and 3) what does the term "Project" in the contract refer to. The term "Project" is used throughout the contract to refer to Mill Ridge as a community. It was noted that while the contract has a clause specifying a 3% increase in the event the contract automatically renews, the Board would have the option of negotiating the contract before the automatic renewal is effective. Management indicated that there had never been a fuel surcharge but that he would obtain clarification from Hunt's Landscaping on how that would be calculated. Management was also asked to discuss the following with Hunt's Landscaping: 1) perform some monthly spot trimming of shrubs such as the iliaignus which grows

rapidly and becomes unsightly between the normal pruning cycles 2) request that the second floor of the stairwells be blown out during the weekly maintenance and 3) fee schedule for doing extra tasks such as snow removal.

- The Board discussed the upcoming renewal on the blanket master hazard insurance policy. Management provided clarification on several options in the policy as follows: 1) hired auto coverage is not an option as it is a standard part of the commercial policy that we have; it would cover a person who has an accident while conducting Mill Ridge business 2) employee dishonesty covers the Association against financial losses that result from fraudulent activities by a Board member or the management company and 3) while the average coverage per unit is \$80,500 the blanket coverage takes care of any loss up to the \$15M total coverage we have. The policy also includes inflation coverage which takes into account the continued increase in the cost of labor and materials needed to rebuild a unit. The policy with Nationwide will be renewed effective 5/1/14 as there was no objection from the Board.

#### **Adjournment**

- There being no further business, the meeting was adjourned at approximately 7:50pm.

**Next Regular Board Meeting Date: April 3, 2014 at 6:45pm at St. Paul's Christian Church**

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

April 3, 2014

### Homeowners Forum

One Homeowner was present at the meeting as follows: 1) Sharon Williams of 3533 Mill Run. Sharon did not bring any issues before the Board. Beverly Cappadonia complimented Sharon for the landscape work that she has done at the end of the circle adjacent to buildings #8 and #10.

### Call to Order

The President, Beverly Cappadonia, called the meeting to order at approximately 6:50pm following the open forum discussion. The meeting was held in the brown classroom building at St. Paul's Christian Church on Blue Ridge Road.

### Quorum Established

The following Board members were present: 1) Beverly Cappadonia 2) Mark Evans 3) Roxie Pitt and 4) Doug Parker. Vic Jones, Property Manager, was also present.

### Approval of Minutes

Minutes of the 3/6/14 Board meeting were reviewed. Doug Parker made a motion to accept the minutes as written. Roxie Pitt seconded the motion. The minutes were approved by all the Board members.

### Architecture Committee Report

There are no outstanding architectural requests being considered by the Board.

### Treasurer's Report

Vic Jones provided the financial reports as follows: 1) the Balance Sheet as of 4/2/14 showing \$121K in the money market account, \$135K in the operating account and a balance of \$9K in the accounts receivable account 2) the Profit & Loss Statement as of 4/2/14 showing the fiscal year to date income and expenses and a net income of \$104K which does not reflect the cash flow required to retire the debt principal; the net income is approximately \$58K after adjusting for the cash required to pay down the principal on the construction loan; \$36K has been collected on the special assessment 3) the Accounts Receivable report showing the dues status of all Homeowners as of 4/2/14 who either have an outstanding balance or a prepaid balance 4) a summary Accounts Receivable Report as of 4/3/14 showing only those Homeowners with an overdue amount and the action being taken to collect those amounts; the appropriate collection letter per the summary report will be mailed to each Homeowner; the report also shows those accounts that have already been turned over to our attorney for collection and 5) the Vendor Transaction report showing all bills and checks issued to vendors since 3/1/14.

### Landscape Committee Report

Doug Parker, Landscape Chairperson, reported that Hunt's Landscaping will be refurbishing the front entrance in a few weeks. Management reported that he had discussed some of the Board's concerns and questions at the last Board meeting and that these concerns/questions were addressed as follows: 1) the 2<sup>nd</sup> floor 8-Plex stairwells will be blown out once per month during the 1<sup>st</sup> monthly visit to the property 2) the property will be surveyed once per month during the 1<sup>st</sup> monthly visit to identify shrubs such as the elaeagnus that are growing out of control and these shrubs will be pruned as necessary 3) the fuel surcharge will only be applied when the price per gallon for gas or diesel exceeds \$4 per gallon; the contractor will determine the gas consumption per weekly visit and will calculate the surcharge based on the quantity and the price per gallon in excess of the \$4 base 4) special projects that are authorized by the Board are billed on a time and material basis; the labor rate is \$25 per hour per man.

### Management Report

- The Board received the outstanding work orders report and the completed work orders report showing those work orders that were completed since 3/1/14. There are currently seventeen outstanding work orders. Twelve work orders have been completed since 3/1/14 at a total cost of \$1630.60.
- The 8-Plex Improvement Project has resumed and the repairs to Building #4 are underway. It is anticipated that the repairs will be completed in 6-8 weeks weather permitting. Management has met with JDS Consulting & Design and Mark Svanberg our repair contractor regarding the improvements that are planned for Buildings #8 through #11. Subsequent to that meeting JDS has provided a report outlining their observations and the recommended construction methods to insure proper support on the ends of the building and in particular the necessary support

structure for the additional roofing that will cover the 2<sup>nd</sup> floor decks. The Association is now in a position to proceed with the improvements to Buildings #8 through #11 now that the construction plans have been signed off by a professional engineer. The Board will need to review the plans for the next four buildings prior to starting the repairs to make certain that everyone is in agreement with those plans. Management will update the proposed time line for the Board's review at the May meeting.

- Management reported that he had met with Bill Robbins of Blalock Paving on 3/10/14 at which time the plans for repairing/replacing the asphalt sidewalks was discussed. Mr. Robbins provided a bid for the Board's consideration on 4/2/14 after business hours. The Board reviewed the quote noting that the cost decreases as the quantity of sidewalk to be repaired/replaced increases. The price varied from \$85 per linear foot for a work order with 10 to 19 linear feet to \$35.25 per linear foot for a work order to address 100 plus linear feet. The Board expressed its approval to contract for the 100 plus linear feet per work order as that represents the best price option for the Association. Management will also review the bid previously received from Turner Asphalt to see how the quotes compare. Management will follow up with the Board regarding the quote comparisons so that an informed decision can be made.
- Management reported that Condo Approvals LLC South had reported via e-mail dated 3/11/14 at 12:36pm that our application for FHA Certification had not been approved. The Board reviewed the e-mail which outlined the information that HUD is requiring before they will continue with the review process. The information required is as follows: 1) financial documentation that states the set aside for reserves 2) documentation regarding the special assessment including the dates, amounts and per unit costs and 3) a current reserve study. The Board discussed its options and decided to postpone doing a reserve study due to the cost but asked Management to provide Condo Approvals LLC South with the financial and special assessment information that has been requested. Condo Approvals LLC South will be asked to resubmit the request with the updated information. The Board will not take any further action until HUD has accepted or denied the updated request.
- Management reported that the 2013 minutes, 2014 minutes to date and the 2014 Board meeting schedule had been uploaded to the web site.
- Management reported that the fire hydrant questions and concerns that had been posed at the last Board meeting had not been addressed. The plans are to contact the fire station on Lake Boone Trail to determine what the policy is regarding parking vehicles near fire hydrants in a private community, and to solicit other suggestions that will improve the fire department's ability to provide service in the event of an emergency.
- Management reported that the Robert Taylor Insurance Agency is in the process of preparing an insurance quote for a master hazard insurance policy to cover all units in the community. The purpose of obtaining the quote is to verify that the Association is paying a competitive price for its insurance. Our current policy is with Nationwide and renews 5/1/14.

#### **Old/New Business**

No further business was brought before the Board.

#### **Adjournment**

- There being no further business, the meeting was adjourned at approximately 8:40pm.

**Next Regular Board Meeting Date: June 5, 2014 at 6:45pm at St. Paul's Christian Church**

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

### June 5, 2014

#### **Call to Order**

The President, Beverly Cappadonia, called the meeting to order at 6:45pm. The meeting was held in the brown classroom building at St. Paul's Christian Church on Blue Ridge Road.

#### **Homeowners Forum**

One Homeowner was present at the meeting as follows: 1) Sharon Williams of 3533 Mill Run. Sharon indicated that she was there to keep abreast of what is going on in the community and in particular the status of the 8-Plex Improvement Project in general and specifically when her building would be scheduled for repairs. Vic Jones, Property Manager, indicated that the schedule for the last four buildings will resume in August and the schedule will be based on the condition of the exterior on those buildings. The Board agreed to allow our repair contractor to assess the condition of the last four buildings and set the schedule based on the exterior condition of the buildings with the worst buildings having the higher priority.

Quorum Established

The following Board members were present: 1) Beverly Cappadonia 2) David Rancer 3) Roxie Pitt and 4) Doug Parker. Vic Jones, Property Manager, was also present.

#### **Approval of Minutes**

Minutes of the 4/3/14 Board meeting were reviewed. The minutes were approved by all Board members present.

#### **Architecture Committee Report**

There are no outstanding architectural requests being considered by the Board.

#### **Treasurer's Report**

Vic Jones provided the financial reports as follows: 1) the Balance Sheet as of 6/4/14 showing \$121K in the money market account, \$128K in the operating account and a balance of \$16K in the accounts receivable account 2) the Profit & Loss Statement as of 6/4/14 showing the fiscal year to date income and expenses and a net income of \$109K which does not reflect the cash flow required to retire the debt principal; the net income is approximately \$71K after adjusting for the cash required to pay down the principal on the construction loan; \$49K has been collected on the special assessment 3) the Accounts Receivable report showing the dues status of all Homeowners as of 6/4/14 who either have an outstanding balance or a prepaid balance and 5) the Vendor Transaction report showing all bills and checks issued to vendors since 4/1/14. Roxie Pitt noted that the overhead light near her unit was still not working and requested that the Association apply for a credit for the period of time that it has been dysfunctional.

#### **Landscape Committee Report**

Doug Parker, Landscape Chairperson, reported that Hunt's Landscaping had changed out the plants in the front entrance beds. Doug noted that several leylands near building #10 were blown down during a recent thunderstorm. The trees were blown into Duraleigh Road blocking traffic; the City of Raleigh removed them. The current plan is to replace these trees in the fall to close up the gaps created by the missing trees.

#### **Management Report**

- The Board received the Work Orders Pending report and the Work Orders Completed report showing respectively the outstanding work orders and those work orders that have been completed since 4/1/14.
- The master hazard insurance policy was renewed with Nationwide after considering quotes from both Nationwide and the Cincinnati Insurance Company. The bid/negotiation process resulted in a savings of \$5K to the Association annually.
- The 8-Plex Improvement Project continues with work on Building #4. The exterior repairs to the building have been completed at a cost of \$41K; painting has been scheduled after which gutters will be installed the total cost of which will be \$9K. Hence, the total estimated cost for the improvements to Building #4 will be \$50K which is \$5K higher than the average cost per building for the 6 buildings that have already been completed to date. Once Building #4 is completed, work will resume in August on one of the four remaining buildings (building #8, #9, #10 or #11) based on which building is in the worst condition.



- Management provided two bids for the sidewalk replacement project as follows: 1) Blalock Paving and 2) Turner Asphalt. The initial analysis indicates that the cost will be between \$60 and \$80 per square yard to replace the existing asphalt sidewalk with new materials. Management plans to meet onsite with each contractor to review each bid in detail. Management plans to have a recommendation for the Board's review and approval at the next Board meeting in July.
- There has been no progress made toward FHA recertification since the last Board meeting.
- Gutter cleaning was completed on 5/23/14 at a total cost of \$900. This process included blowing debris off roofs throughout the community.
- Management reported that the COR issued a nuisance citation for the debris that has been piled up in the natural area near the gazebo. The Board noted that Paul Slovinsky who owns 3326 Mill Run had volunteered his time to clean up the wooded area which he stacked for pickup as noted. The Board expressed its appreciation for Paul having donated his time to the improvement of that area. Management will engage Hunt's Landscaping to remove the stack of debris within the time frame specified by COR. The COR initially cited the Association for the pile of mulch that is stored in the natural area adjacent to Building #6; the citation was later rescinded after determining that the mulch was not a pile of debris that could attract undesirable insects and animals.
- Management reported that he has received a bid from Monroe's Home Improvement to power wash and stain the studio decks. The bid is \$400 per unit to power wash the deck, apply a coat of solid stain on the entire deck and then to apply a 2<sup>nd</sup> coat of stain on the decking boards and steps. The cost of the stain is not included in the bid price. Any necessary repairs to the decks would be completed prior to staining them. The Board asked Management to obtain two additional bids for their review.
- Management reported that there is some tree removal and pruning that needs to be done in several areas of the community. Management recommended that we engage Aadams Tree Experts for a full day at a cost of \$2K to address these answers. Doug Parker made a motion to employ Aadams Tree Experts for one day at \$2K to address the tree issues that have been identified throughout the community. David seconded the motion and it was approved unanimously.

#### **Old/New Business**

- David Rancer noted that there continues to be parking issue in his circle and in particular in front of Building #11. The Board discussed the fact that parking is becoming more of an issue as it is more common now than years past for individual units to own two cars which is the limit for any one unit. The Board agreed that it is time to number one parking space per unit and that the unnumbered units would be available on a first come first served basis. The Board further agreed to schedule the implementation to coincide with the schedule for asphalt repair and maintenance of the circles throughout the community but will make exceptions where the problem is such that it needs to be scheduled sooner.

#### **Adjournment**

- There being no further business, the meeting was adjourned at approximately 8:40pm.

**Next Regular Board Meeting Date: July 10, 2014 at 6:45pm at St. Paul's Christian Church**

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

### July 10, 2014

#### **Call to Order**

The President, Beverly Cappadonia, called the meeting to order at 7:05pm. The meeting was held in the office building at St. Paul's Christian Church on Blue Ridge Road.

#### **Homeowners Forum**

One Homeowner was present at the meeting as follows: 1) Sharon Williams of 3533 Mill Run. Sharon inquired about the schedule for the 8-Plex Improvement Project and the Board informed Sharon that her building was scheduled next and that the repairs are currently scheduled to begin in early September.

#### **Quorum Established**

The following Board members were present: 1) Beverly Cappadonia 2) David Rancer 3) Roxie Pitt 4) Doug Parker and 5) Mark Evans. Vic Jones, Property Manager, was also present.

#### **Approval of Minutes**

Minutes of the 6/5/14 Board meeting were reviewed. Doug Parker made a motion to accept the minutes as written. Mark Evans seconded the motion. The minutes were approved unanimously by all Board members present.

#### **Architecture Committee Report**

Vic Jones presented a request from the owner of 3445 Mill Run to install a new storm door on the studio unit. The Board discussed the specifications and agreed that two designs are acceptable as follows: 1) storm door must be a full view glass door in crème color like the trim, brown or black 2) storm door can have a divider in the middle of the vertical section of glass and have a retractable screen of same colors stated above or 3) storm door can have a divider in the middle of the vertical section of glass and have a standard screen of the same colors stated above. These doors are available at Lowe's and are described as Fullview, Retractable Screen and Standard Screen respectively in their storm door brochure. Homeowners should submit an architectural request before installing a new or replacement storm door to insure that the storm door meets these specifications.

#### **Treasurer's Report**

Vic Jones provided the financial reports as follows: 1) the Balance Sheet as of 7/9/14 showing \$121K in the "reserve" account which is currently invested in a money market account, \$128K in the "checking" account and a balance of \$13K in the accounts receivable account 2) the Profit & Loss Statement as of 7/9/14 showing the fiscal year to date income and expenses and a net income of \$124K which does not reflect the cash flow required to retire the debt principal; the net income is approximately \$79K after adjusting for the cash required to pay down the principal on the construction loan; \$57K has been collected on the special assessment 3) the Accounts Receivable report showing the dues status of all Homeowners as of 7/9/14 who either have an outstanding balance or a prepaid balance and 5) the Vendor Transaction report showing all bills and checks issued to vendors since 4/1/14. The Board also received and reviewed the collection status report showing all homeowners who have a balance over 30 days past due. The Board approved proceeding with foreclosure on one unit in the community.

#### **Landscape Committee Report**

Doug Parker, Landscape Chairperson, reported that Hunt's Landscaping had completed pruning throughout the community and that they had done a good job. Vic Jones will follow up with Hunt's to let them know that the Board acknowledges and appreciates a job well done.

#### **Management Report**

- The Board received the Work Orders Pending report and the Work Orders Completed report showing respectively the outstanding work orders and those work orders that have been completed since 6/1/14. There are currently 20 outstanding work orders. No building maintenance work orders were completed since 6/1/14.
- The 8-Plex Improvement Project has been completed on Building #4 with the exception that the gutters have not been installed. Total cost to date is \$49,113.05. The gutter installation will cost an additional \$800.00 which will bring the total cost for that building to \$49,913.05. Mark Svanberg, our repair contractor, has evaluated the

condition of Buildings #8 through #11 and recommends that Building #8 be scheduled next. The Board accepted Mark's recommendation and the current plan is to begin the repair work on that building in early September.

- As reported at the last Board meeting, two bids for the sidewalk replacement project had been received as follows: 1) Blalock Paving and 2) Turner Asphalt. The initial analysis indicates that the cost will be between \$60 and \$80 per square yard to replace the existing asphalt sidewalk with new materials. Management reported that he met with Raleigh Paving on 7/7/14 and that a bid is forthcoming. Once all bids are received, Management will evaluate them and make a recommendation to the Board. The Board expressed its desire to move this project forward as quickly as possible.
- There has been no progress made toward FHA recertification since the last Board meeting. Management reported that the HOA needs to make a contribution to reserves and recommended that \$2,500.00 per month or a total of \$30K for this fiscal year be made. Management indicated that the mortgage companies and HUD want to see contributions to reserves and that this hopefully will satisfy one of the requirements toward obtaining FHA certification. Doug Parker made a motion to contribute \$2,500.00 per month to reserves retroactive to the beginning of the fiscal year. Mark Evans seconded the motion. The motion was approved by 4 Board members with 1 Board member abstaining. Management will move \$25K for the 10 months 10/13 through 7/14 from the checking account to the reserve account.
- Management reported that he has received two bids to power wash and stain the studio decks as follows: 1) Steve Monroe of Monroe's Home Improvement bid \$400 per unit and 2) Joe Edwards of Pro Strokes Painting bid \$200 per unit. Both bids include power washing the deck, applying a coat of stain of the HOA's choice, and then following with a second coat on the decking boards and steps which get the most traffic. The HOA will select the stain to be used and will pay for the stain. Management reported that he has solicited a bid from Jeff Pridgen of Second Look Pressure Cleaning. Management noted that repairs will have to be made to the decks before they are stained. The Board discussed several material products to be used to stain the decks including DeckScapes from Sherwin Williams and Behr Deck Over from Home Depot. Management recommended that a solid stain be used as it is more durable and covers the wood imperfections. Management will evaluate the bids and make a recommendation to the Board.
- Management reported that the owners of the 8-Plex units 3535 and 3547 re-plumbed their units recently at a cost of \$6,250 per unit. The work was performed by Axis Plumbing and included the actual plumbing and the drywall repairs.
- Management reported that he and David Rancer met to discuss stripping the parking spaces in the circle that serves Buildings #8 through #11. No bids have been received and the question is whether it is prudent to spend money on this project before the pavement in that area is repaired. Management will solicit input from the contractors that we have received sidewalk bids from since one of them will be awarded the contract to do the sidewalk repairs and the stripping project could possibly be done in conjunction with that work.

### **Old/New Business**

No other business was brought before the Board.

### **Adjournment**

- There being no further business, the meeting was adjourned at approximately 8:36pm.

**Next Regular Board Meeting Date: August 7, 2014 at 6:45pm at St. Paul's Christian Church**

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

August 7, 2014

### Call to Order

The President, Beverly Cappadonia, called the 8/7/14 meeting to order at 6:46pm. The meeting was held in the office building at St. Paul's Christian Church on Blue Ridge Road. The 8/7/14 meeting was adjourned at approximately 8:00pm and was reconvened on 8/13/14 at 6:00pm. The reconvened meeting was held in the brown building at St. Paul's Christian Church and was adjourned at approximately 8pm.

### Homeowners Forum

Four Homeowners were present at the 8/7/14 meeting as follows: 1) Sharon Williams of 3533 Mill Run 2) Brenda Mitchell of 3535 Mill Run 3) Heather Snyder of 3626 and 4) Jeri Tucker of 3630 Mill Run. The discussions included: 1) many residents are breaking the rules regarding activities and decorations in the common areas outside their unit 2) the Board needs to enforce the rules such that the community appearance will be maintained in good order 3) all exterior changes and modifications have to be approved by the Board 4) schedule for 8-Plex Improvement Project and 5) plans to replace a tree that was removed between 3626 and 3630 Mill Run. Doug Parker reported that the tree between 3626 and 3630 as well as the Leyland cypress trees on Duraleigh Road near Building #10 are scheduled to be replaced in the fall as that is the best time to do so. The Board discussed the rules violations and enforcement and reported that a survey of the community will be scheduled to address these issues. The repairs to Building #8 will begin in early September.

### Quorum Established

The following Board members were present at the 8/7/14 meeting: 1) Beverly Cappadonia 2) David Rancer 3) Roxie Pitt 4) Doug Parker and 5) Mark Evans. The following Board members were present at the 8/13/14 meeting: 1) Beverly Cappadonia 2) David Rancer 3) Doug Parker and 4) Mark Evans. Vic Jones, Property Manager, was present at both meetings.

### Approval of Minutes

Minutes of the 7/10/14 Board meeting were reviewed. Mark Evans made a motion to accept the minutes as written. Doug Parker seconded the motion. The minutes were approved by a majority of the Board members present.

### Architecture Committee Report

The committee received and approved a request by the owner of 3347 Mill Run to install a privacy railing on her studio unit. The request was approved with the provision that the privacy railing be constructed by the HOA's contractor such that the new structure will conform with privacy railings throughout the community.

### Treasurer's Report

Vic Jones, Management Agent, provided the financial reports as follows: 1) the Balance Sheet as of 8/6/14 showing \$146K in the "reserve" account which is currently invested in a money market account, \$120K in the "checking" account and a balance of \$17K in the accounts receivable account 2) the Profit & Loss Statement as of 8/6/14 showing the fiscal year to date income and expenses and a net income of \$142K which does not reflect the cash flow required to retire the debt principal; the net income is approximately \$67K after adjusting for the cash required to pay down the principal on the construction loan; \$64K has been collected on the special assessment 3) the collection summary report showing those accounts that are late with their monthly payment, those that have been sent lien letters and finally those that have been turned over to our attorney for collection. The \$17K accounts receivable balance includes homeowners who are in arrears with their dues as well as those who have prepaid their dues and 5) the Vendor Transaction report showing all bills received and checks issued to vendors since 7/1/14.

### Landscape Committee Report

Doug Parker, Landscape Chairperson, reported that Hunt's Landscaping had used the mulch that had been temporarily stored in the natural area at the top of the circle to mulch around Buildings #4 and #5. Hunt's also distributed the mulch that had been stock piled between 3505 and 3511 Mill Run. Both were completed last week.

### Management Report

- The Board received the Work Orders Pending report and the Work Orders Completed report showing respectively the outstanding work orders and those work orders that have been completed since 7/1/14. There are currently 24 outstanding work orders. One building maintenance work order was completed since 7/1/14.

- The 8-Plex Improvement Project has been completed on Building #4 including the exterior repairs, painting and the gutter installation. The total cost for the Building #4 project was \$48,938.05. Per Mark Svanberg our repair contractor's recommendation, the 8-Plex Improvement project will continue with work on Building #8 in early September.
- The Board solicited bids from three contractors for sidewalk repair and replacement and the following two responded: 1) Blalock Paving and 2) Turner Asphalt. The property was surveyed by Doug Parker and Vic Jones during which time Doug suggested that redundant sidewalks be removed rather than replacing them. The Board agreed that this was a good idea and that a follow up survey should be performed to identify the specific sidewalks to be repaired as well as those that should be removed. The Board scheduled a survey for Friday August 15<sup>th</sup> to complete the survey. Both companies bid \$35 per liner foot to remove and replace existing sidewalks with four inches of new asphalt. The new survey will be provided to each contractor who will be asked to provide a "best and final" bid to repair and replace existing sidewalks and also a bid for removing redundant sidewalks. The Board feels that a primary factor in the choice of contractors will be their ability to complete the project in a timely manner. The Board reiterated its interest in implementing this project as soon as possible.
- With regard to FHA Certification, Management reported that the financial statements have been updated to reflect the \$2,500 contribution per month to the reserve fund as approved by the Board at the last Board meeting. The contribution was retroactive to October 1, 2013 the first month of the current fiscal year. The reserve funds are invested in a money market account. Management will identify and select a different company to assist us with the re-certification.
- Management reported that he has received three bids to power wash and stain the studio decks as follows: 1) Steve Monroe of Monroe's Home Improvement bid \$400 per unit 2) Joe Edwards of Pro Strokes Painting bid \$200 per unit and 3) Jeff Pridgen of Second Look Pressure Washing bid \$300 per unit. All bids include power washing the deck, applying a coat of stain of the HOA's choice, and then following with a second coat on the decking boards and steps which get the most traffic. The HOA will select the stain to be used and will pay for the stain. Any necessary repairs to the decks will be completed prior to power washing and sealing them at the HOA's expense. The Board agreed to go with a semi-transparent stain. Mark Evans suggested that the color designated "cedar bark" on the Sherwin Williams Deckscapes Semi-Transparent Stain palette be used on the decks. There was no objection from the Board. The Board discussed each bid noting that Joe Edwards is the contractor who has been painting the 8-Plex buildings and that he has done a good job. The Board selected Joe Edwards of Pro Strokes Painting to power wash and stain the 102 studios in the community. Management will work with Joe to select the stain that will be used and based on current knowledge it will most likely be Behr or Sherwin Williams.
- David Rancer inquired about the status of stripping the parking spaces in the circle adjacent to Buildings #8 through #11. Management will follow up with Blalock Paving and Turner Asphalt to obtain an estimate to do the parking space stripping. Management will seek the advice of the contractors as to whether the stripping can be done before the parking lot repairs are completed or whether it needs to be postponed until those repairs are completed.
- The annual termite inspection was performed on 8/21 and 8/22. Notices were hand delivered to each affected resident on 8/5/14. The inspection went smoothly and only 29 units did not get the inspection done during the two day inspection period. Active termite infestation was found to exist in two areas in two different 8-Plex buildings. Pest & Termite Consultants will retreat those areas at no charge to the HOA as re-treatment is covered by the annual contract. The makeup termite inspection is scheduled for 9/26 from 8 until 10am. Reminder notices will be sent to the 29 homeowners that have not been inspected two weeks in advance of the makeup inspection.
- Management reported that he had met with an engineer with JDS Consulting regarding the foundation crack at 3626 Mill Run. JDS Consulting has been engaged to determine the cause of the crack and to propose possible solutions to resolve the problem. Management reported that JDS Consulting has not reported its findings as of the meeting date.

### **Old/New Business**

No other business was brought before the Board.

### **Adjournment**

- There being no further business, the meeting was adjourned.

**Next Regular Board Meeting Date: September 11, 2014 at 6:45pm at St. Paul's Christian Church**

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

### September 11, 2014

#### **Call to Order**

Doug Parker, Member at Large, called the 9/11/14 meeting to order at 6:46pm. The meeting was held in the office building at St. Paul's Christian Church on Blue Ridge Road.

#### **Homeowners Forum**

Four Homeowners were present at the 9/11/14 meeting as follows: 1) Laurie Osborne of 3261 Mill Run 2) Alma Berg of 3502 Mill Run 3) Bob Conte of 3513 Mill Run and 4) Sharon Williams of 3533 Mill Run. The discussions included: 1) a request to survey the trees around 3513 and prune or remove trees that are encroaching on the deck, hanging over the roof or coming in contact with the siding 2) some owners have experienced difficulty in accessing the community web site 3) status of the FHA certification 4) concern about the number of rentals in the community 5) there continues to be a storm water runoff issue behind 3261 and water gets into crawl space during heavy rain events 6) the drainage problems at the front entrance to building #11 needs to be addressed and 7) rules & regulations need to be reviewed and updated to reflect the current policies. Work orders will be setup to address the issues in the items numbered 1, 5 and 6. Management will work with the owner who was experiencing difficulty with accessing the web site to determine the problem and hopefully a solution. The FHA Certification is still being worked on but progress has been slow; the plans are to engage another company who provides certification services to help us with getting that certification. The Board agreed that limiting the number of rentals would be quite desirable but that getting the required percentage of owners to agree to an amendment is highly unlikely. Those present were in agreement that the rules & regulations need to be updated. The Board plans to organize a committee to draft changes and updates which would be submitted to the Board for its review and approval.

#### **Quorum Established**

The following Board members were present at the 9/11/14 meeting: 1) Doug Parker 2) David Rancer and 3) Roxie Pitt. Vic Jones, Property Manager, was present at both meetings.

#### **Approval of Minutes**

Minutes of the Board meeting held on 8/7/14 and reconvened on 8/13/14 were reviewed. The minutes were approved by the Board members present.

#### **Architecture Committee Report**

There were no outstanding requests.

#### **Treasurer's Report**

Vic Jones, Management Agent, provided the financial reports as follows: 1) the Balance Sheet as of 9/10/14 showing \$146K in the "reserve" account which is currently invested in a money market account, \$129K in the "checking" account and a balance of \$15K in the accounts receivable account 2) the Profit & Loss Statement as of 9/10/14 showing the fiscal year to date income and expenses and a net income of \$156K which does not reflect the cash flow required to retire the debt principal; the net income is approximately \$73K after adjusting for the cash required to pay down the principal on the construction loan; \$71K has been collected on the special assessment 3) the collection summary report showing those accounts that are late with their monthly payment, those that have been sent lien letters and finally those that have been turned over to our attorney for collection. The \$15K accounts receivable balance includes homeowners who are in arrears with their dues as well as those who have prepaid their dues and 5) the Vendor Transaction report showing all bills received and checks issued to vendors since 8/1/14.

#### **Landscape Committee Report**

Doug Parker, Landscape Chairperson, reported that Hunt's Landscaping will be aerating and seeding the property in late September or early October. Doug plans to meet with Hunt's Landscaping to develop a plan to install replacement trees in the fall to fill the gaps along Duraleigh Road as well as replacing several trees that have died in the community.

#### **Management Report**

- The Board received the Work Orders Pending report and the Work Orders Completed report showing respectively the outstanding work orders and those work orders that have been completed since 8/1/14. There are currently 9 outstanding work orders. Seventeen work orders have been completed since 8/1/14.

- The web site was updated on 8/20/14 with the minutes for 2014. The revised Board meeting schedule was updated the same day.
- The 8-Plex Improvement Project was started on Building #8 several weeks ago. The improvements on the 3535 end of Building #8 should be completed this week. It is estimated that the repairs to the building will be completed by mid October weather permitting after which the painting will be scheduled and the gutters installed.
- The Board has continued to work on the sidewalk replacement project. Subsequent to receiving bids from Blalock Paving and Turner Asphalt, the Board felt that an additional survey needed to be done to identify the specific sidewalks that would be removed and replaced with a new sidewalk, and the specific sidewalks that would be removed and not replaced. The survey was completed by three members of the Board (Doug Parker, Mark Evans & Beverly Cappadonia) and Vic Jones during which 44 different locations throughout the community were identified to be addressed during the initial phase of the project. The results of the survey were formalized into a spreadsheet and sent to each contractor with a request to provide the Association a final bid. Blalock Paving submitted a final bid of \$22,845.00 to remove and replace approximately 712 feet of sidewalk, and to remove but not replace approximately 457 feet of sidewalk. Blalock Paving indicated that they could start the project in two to three weeks after receiving a signed contract. Management requested that the Board approve a \$25K budget for the sidewalk repair project so that any unforeseen changes could be dealt with while the project was ongoing. The Board members present voted unanimously to proceed with the project. Doug Parker and David Rancer signed the contract with Blalock.
- With regard to FHA Certification, no progress has been made since the last Board meeting. Management will identify and select a different company to assist us with the re-certification.
- Management reported that the deck staining project will be preceded by making any necessary deck repairs. Steve Monroe of Monroe's Home Improvement has been selected to make those repairs. Management will meet with Steve to review the scope of work after which the repairs will be started. Joe Edwards of Pro Strokes Painting will begin the power washing and staining as soon as there are enough decks repaired to keep his crew busy. Joe expects to power wash and stain about 6 decks per week once the project is underway. The Association has negotiated a price of \$25 per gallon for the Sherwin Williams "Decksapies" semitransparent stain that retails for \$40 per gallon. The project is expected to get underway within the next few weeks.
- The annual termite inspection was performed on 8/21 and 8/22. Notices were hand delivered to each affected resident on 8/5/14. The inspection went smoothly and only 29 units did not get the inspection done during the two day inspection period. Active termite infestation was found to exist in two areas in two different 8-Plex buildings. Pest & Termite Consultants will retreat those areas at no charge to the HOA as re-treatment is covered by the annual contract. The makeup termite inspection is scheduled for 9/26 from 8 until 10am. Reminder notices will be sent to the 29 homeowners that have not been inspected two weeks in advance of the makeup inspection.
- Management reported that JDS Consulting has completed their survey and that they will release the report as soon as the payment for services is received. The invoice from JDS Consulting in the amount of \$300 has been processed and will be mailed to the vendor tomorrow. While the report has not been received management reported that he had been told verbally by their engineer that the foundation crack does not present a structural problem and that it is more of an aesthetic issue that can be repaired. Management setup a work order when the problem was first reported and the repairs will now be made per the recommendations in the report.

### **Old/New Business**

The Board deferred review of the Management Contract until the October Board meeting.

### **Adjournment**

- There being no further business, the meeting was adjourned.

**Next Regular Board Meeting Date: October 9, 2014 at 6:45pm at St. Paul's Christian Church**

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

October 9, 2014

### Call to Order

Mark Evans, Vice President, called the homeowner forum to order at 6:45pm. The meeting was held in the office building at St. Paul's Christian Church on Blue Ridge Road.

### Homeowners Forum

Eight Homeowners were present at the meeting as follows: 1) Katrina & Walter DiTomasso of 3225 Mill Run 2) Alma Berg of 3502 Mill Run 3) Bob Conte of 3513 Mill Run 4) Edward Brantley of 3525 Mill Run 5) Gil Almodovar of 3531 Mill Run 6) Sharon Williams of 3533 Mill Run and 7) Sandra Bailey of 3555 Mill Run. Scott Korbin, property manager for 3500 Mill Run was also present. The discussions included: 1) the need for landscape improvements especially where inappropriate shrubs were planted in the community such as the iliacus in front of Building #2 2) noise issues with 2<sup>nd</sup> floor neighbors in 8-Plex units e.g. running washers/dryers after 11pm 3) concern about the numbers of rental units in the community and whether the number of rentals can be limited 4) security throughout the community 5) FHA certification status 6) updates to the rules and regulations 7) landscapers need to do more leaf removal and less blowing of leaves into existing mulched beds. The Board agreed to consider removing the iliacus shrubs in front of Building #2 provided the funds are available to replace them with relatively inexpensive shrubs. The Board indicated that large landscape projects will have to be postponed until the current debt is paid off and the 8-Plex Improvement project has been completed. Residents will be reminded that noise levels should be minimized after 11pm as that is the rule in the City of Raleigh; this rule will also be added to the rules and regulations as they are currently being updated. Those present and the Board agreed that it would be desirable to limit the number of rental units in the community; however, the Board does not feel that we could get the necessary votes to pass an amendment to the Covenants to that effect. Sharon Williams reported that she had conversed with A1 Security about measures that could be taken to provide surveillance throughout the community. No concrete proposals were made but it was agreed by all present that the Association continue to pursue installing some type of security system throughout the community. The Association has not obtained FHA Certification but will continue with plans to get that approval. VA Certification has been approved. Sharon Williams reported that she is continuing to work on updating the rules and regulations; she will incorporate the rule discussed above regarding noise abatement after 11pm. Management will discuss the leaf disposal issue with Hunt's Landscaping.

### Executive Session

Mark Evans called the executive session to order at 7:30pm.

### Quorum Established

The following Board members were present at the meeting: 1) Mark Evans 2) Beverly Cappadonia 3) Doug Parker and 4) Roxie Pitt. Vic Jones, Property Manager, was also present. After establishing that a quorum was present, Mark Evans proceeded by making a motion pursuant to the Bylaws Article IV Section 5 to remove Roxie Pitt from the Board of Directors. Beverly Cappadonia seconded the motion. The motion was approved by the four Board members who were present.

### Approval of Minutes

Minutes of the Board meeting held on 9/11/14 were reviewed. The minutes were approved by the remaining three Board members who were present.

### Architecture Committee Report

There were no outstanding requests.

### Treasurer's Report

Vic Jones, Management Agent, provided the financial reports as follows: 1) the Balance Sheet as of 9/30/14 showing \$151K in the "reserve" account which is currently invested in a money market account, \$126K in the "checking" account and a credit balance of \$12K in the accounts receivable account 2) the Profit & Loss Statement as of 9/30/14 showing the fiscal year to date income and expenses and a net income of \$154K which does not reflect the cash flow required to retire the debt principal; the net income is approximately \$72K after adjusting for the cash required to pay down the principal on the construction loan; \$75K has been collected on the special assessment 3) the collection summary report showing that there are 27 accounts that are in various stages of collection; the total outstanding balance for these homeowners is \$18K.



Management will continue its collection efforts per the approved collection policy. The Board also received the Vendor Transaction report showing all bills received and checks paid since 9/1/14.

### **Landscape Committee Report**

Doug Parker, Landscape Chairperson, reported that Hunt's Landscaping is scheduled to aerate and seed the property this week. Doug also reported that he had met with Hunt's Landscaping regarding tree replacement in several areas. Doug indicated that he is expecting a bid from Hunt's to perform the requested tree replacements.

### **Management Report**

- The Board received the Work Orders Pending report and the Work Orders Completed report showing respectively the outstanding work orders and those work orders that have been completed since 9/1/14. There are currently twelve outstanding work orders. Thirteen work orders have been completed since 9/1/14.
- The web site was updated on 9/16/14 with the minutes for 2014. The revised Board meeting schedule was updated the same day.
- The 8-Plex Improvement Project is continuing on Building #8 and is expected to be completed in about three weeks weather dependent. Painting and gutter installation will be scheduled after the repairs are completed. Repairs to Building #9 will commence in November.
- The Board approved the bid from Blalock Paving for the sidewalk repair project at the 9/11/14 Board meeting. The project includes the repair and replacement of sidewalks in the community per the Board survey, and it also includes the removal of sidewalks that have been determined to be redundant per the Board survey. Management has contacted Blalock for a start date but has not been given a date at this time.
- With regard to FHA Certification, no progress has been made since the last Board meeting.
- Management reported that the deck staining project will be preceded by making any necessary deck repairs. Steve Monroe of Monroe's Home Improvement has been selected to make those repairs and he began the project on 9/16/14. Joe Edwards of Pro Strokes Painting has completed the power washing and staining of four decks. Management has looked at the decks that the power washing and staining has been completed on; he asked that the Board survey those decks (3255, 3257, 3261 and 3263) and to provide their input regarding the quality of the work. Joe has been given the go ahead to proceed with the 3200/3216 even numbered units while the Board is evaluating the work done on the aforementioned units. The Board will meet with Joe to discuss any proposed changes to the power washing and staining before proceeding with any additional units.
- The annual termite inspection was performed on 8/21 and 8/22. That inspection was followed by a makeup inspection on 9/26 from 8 until 10am. There are fifteen homeowners who did not take advantage of the annual inspection.

### **Old/New Business**

The Board discussed renewal of the management contract for the two year period starting 10/1/14 and terminating on 9/30/16. Mark Evans made a motion to renew the contract. Beverly Cappadonia seconded the contract. The motion to renew the management contract was approved unanimously by the three Board members present.

### **Adjournment**

- There being no further business, the meeting was adjourned.

**Next Regular Board Meeting Date: November 6, 2014 at 6:45pm at St. Paul's Christian Church**

# Mill Ridge Condominium Owners Association

## BOARD OF DIRECTORS MEETING

### November 6, 2014

#### **Call to Order**

Mark Evans, Vice President, called the homeowner forum to order at 6:55pm. The meeting was held in the office building at St. Paul's Christian Church on Blue Ridge Road.

#### **Homeowners Forum**

Two Homeowners were present at the meeting as follows: 1) Alma Berg of 3502 Mill Run and 2) Sharon Williams of 3533 Mill Run. Alma discussed her recent loss that resulted from a water line that bursts in her unit. Alma noted that there was an additional problem with her unit that she had no knowledge of until the renovations were in process i.e. the vinyl tile that was installed in her bathroom was twenty-five percent asbestos. This led to additional cost as the tile had to be removed before repairs could proceed. The Board felt that this situation was an isolated one and that the tile that was installed was not the original tile. Sharon Williams posed several issues as follows: 1) the status of painting Building #8 where her unit is located 2) status of the FHA certification 3) that she was in the process of setting up Mill Ridge on Facebook 4) further discussion about setting up a security system throughout the community and 5) whether the Board had filled the open Board position as required by the legal documents. The responses were as follows: 1) painting is underway on building #8 and after painter reports that he is finished, a survey will be completed during which a paint punch list will be compiled as necessary 2) no progress on FHA certification since the last meeting 3) the Board was not in favor of setting up a Facebook account for Mill Ridge 4) more research still needs to be done as no workable solution has been identified to provide security throughout the community and 5) the position of Secretary on the Board has been filled by David Rancer who will be the Secretary/Treasurer of the Association until the next Board elections are made at the March 2015 Board meeting.

#### **Executive Session**

Mark Evans called the executive session to order at 7:45pm.

#### **Quorum Established**

The following Board members were present at the meeting: 1) Mark Evans 2) Beverly Cappadonia 3) Doug Parker and 4) David Rancer. Vic Jones, Property Manager, was also present.

#### **Approval of Minutes**

Minutes of the Board meeting held on 10/9/14 were reviewed. Beverly Cappadonia made a motion to accept the minutes as written. Doug Parker seconded the motion. The minutes were approved by all Board members who were present.

#### **Architecture Committee Report**

There were no outstanding requests.

#### **Treasurer's Report**

Vic Jones, Management Agent, provided the financial reports as follows: 1) the Balance Sheet as of 11/5/14 showing \$151K in the "reserve" account which is currently invested in a money market account, \$82K in the "checking" account and a balance of \$17K in the accounts receivable account and the 2) the Profit & Loss Statement as of 11/5/14 showing the fiscal year to date income and expenses and a net loss to date of \$16K which does not reflect the cash flow required to retire the debt principal. The Board also received the Vendor Transaction report showing all bills received and checks paid since 10/1/14.

#### **Landscape Committee Report**

Doug Parker, Landscape Chairperson, reported that Hunt's Landscaping had completed the fall aeration and seeding throughout the community. Doug reviewed the landscape bid received from Hunt's Landscaping regarding the replacement of trees along Duraleigh Road that had been damaged earlier this year and two additional trees in the community that had died. The bid also included cost to fix several areas that were damaged during the sidewalk replacement project. The total bid was \$2,350.00 for the following tasks: 1) installation of three Green Giant Arborvitae next to Duraleigh Road between Buildings # 10 and 11 2) installation of one Hackberry tree at the front right corner of Building #11 3) install one white Natchez Crape Myrtle at the front left corner of Building #11 and 4) install top soil, seed and wheat straw those areas where sidewalks were removed and not replaced. After reviewing the proposal, Doug made a motion to accept the bid and proceed with the proposed work. David seconded the motion. The motion was approved by all Board members present.

### **Management Report**

- The Board received the Work Orders Pending report and the Work Orders Completed report showing respectively the outstanding work orders and those work orders that have been completed since 10/1/14. There are currently thirteen outstanding work orders. Eight work orders have been completed since 10/1/14 costing \$1,736.48.
- The 8-Plex Improvement Project is continuing on Building #8 and is proceeding as follows: 1) pre-paint repairs have been completed 2) painting is underway and 3) gutter installation will be scheduled as soon as the painting is completed. The pre-paint repairs on Building #9 were started on 11/3/14.
- Blalock Paving has completed the sidewalk repair and replacement work per the contract approved at the 9/11/14 Board meeting. Management has met with Blalock Paving to review the work completed and compiled a list of items that require follow up. The scope of the project was expanded during the implementation phase as additional sidewalks were added to the list to be removed and replaced; the expanded scope of work was approved by the Board at its 9/11/14 Board meeting.
- With regard to FHA Certification, no progress has been made since the last Board meeting.
- Management reported that deck repairs throughout the community have been completed at a cost of \$10K. The power washing and staining project has been started and has already been completed for 13 studio units. The project will continue for all studio units as the weather permits.

### **Old/New Business**

Management discussed the annual meeting plans for January 2015. Management will schedule the meeting on either the fourth or fifth Thursday in January i.e. 1/22/15 or 1/29/15 dependent upon the availability of the fellowship hall at St. Paul's Christian Church on Blue Ridge Road. Management reported that the one year term of two Board members will expire at the annual meeting. The Board will solicit homeowners to fill those two vacancies. The annual meeting notice will be mailed 30 days in advance of the annual meeting as required by the legal documents. The Board also gave its approval to providing pizza, salad and soft beverages to all those who attend the annual meeting.

Beverly Cappadonia announced her resignation from the Board as she is moving to Texas later this month. The Board thanked Beverly for her years of service on the Board, and extended their well wishes for the move to Texas.

The Board agreed that a December meeting was not necessary but will plan to meet in January prior to the annual meeting.

### **Adjournment**

- There being no further business, the meeting was adjourned.

**Next Regular Board Meeting Date: January 15, 2015 at 6:45pm at St. Paul's Christian Church**